

**DEPT. COMM. NO. 100**

**STATE OF HAWAII  
OFFICE OF HAWAIIAN AFFAIRS**  
560 N. NIMITZ HWY., SUITE 200  
HONOLULU, HAWAII 96817

December 17, 2018

Representative Scott Saiki  
House Speaker  
Hawai'i State Capitol  
Room 431  
415 South Beretania Street  
Honolulu, Hawai'i 96813

Senator Ronald Kouchi  
Senate President  
Hawai'i State Capitol  
Room 409  
415 South Beretania Street  
Honolulu, Hawai'i 96813

**RE: Reporting obligations pursuant to HRS 10-14.5(a) relating to the Office of Hawaiian Affairs**

Aloha mai House Speaker Saiki and Senate President Kouchi,

We appreciate your continuing support and guidance as we enter the 2019 legislative session. To follow through with our reporting obligations under HRS 10-14.5(a), please accept this correspondence for the Budget and Variance Report of the Office of Hawaiian Affairs, to be submitted to the legislature not fewer than 30 days before the legislature convenes in every odd-numbered year:

**FY2020 FY 2021 Budget Estimates (Attachment A)**

The Budget details OHA's budget for fiscal year 2020 and 2021 and contains (1) OHA's program structure; (2) the financial requirements for the next two fiscal years to carry out the recommended programs.

**Six-Year Program and Financial Plan (Attachment B)**

The Six-Year Program and Financial Plan details the financial plan of OHA's program structure and contains comparative information of the last completed fiscal year, the fiscal year in progress and the financial plan for the ensuing six fiscal years.

**FY 2018 FY 2019 Variance Report (Attachment C)**

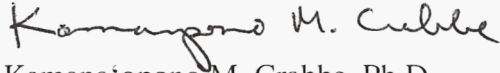
The Variance Report contains information pertaining to three periods: the last completed fiscal year (FY18), the three months ended September 30, 2018, and the nine months ending June 30, 2019.

Please do not hesitate to contact me at 594-1890 or [kamanaoc@oha.org](mailto:kamanaoc@oha.org) or have your staff contact Chief Financial Officer, David Laeha, at 594-1999 or [davidl@oha.org](mailto:davidl@oha.org) should there be any

House Speaker Scott Saiki and Senator President Ron Kouchi  
December 17, 2018  
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questions regarding this correspondence or its attachments. Mahalo again and we look forward to working with you and your staff during the upcoming legislative session.

‘O wau iho nō me ka ‘oia‘i‘o,

A handwritten signature in black ink, appearing to read "Kamano M. Crabbe".

Kamana‘opono M. Crabbe, Ph.D.  
Ka Pouhana, Chief Executive Office

Cc: Trustee Colette Machado, Chairperson, Board of Trustees

## DEPT. COMM. NO. 100

OFFICE OF HAWAIIAN AFFAIRS  
FY 2020 2021 BUDGET ESTIMATES

	General Funds		Trust Funds		Special Funds		Federal Funds		Total Funds	
	Projected FY20	Projected FY21	Projected FY20	Projected FY21	Projected FY20	Projected FY21	Projected FY20	Projected FY21	Projected FY20	Projected FY21
<b>EXPENDITURES</b>										
<b>Current Programs:</b>										
<b>Board of Trustees</b>										
Personnel	89,044	89,044	2,509,752	2,565,763	-	-	-	-	2,598,796	2,654,807
Program	-	-	196,994	201,799	-	-	-	-	196,994	201,799
Contracts	-	-	122,666	122,666	-	-	-	-	122,666	122,666
Grants	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-
Overhead	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
<b>Subtotal - Board of Trustees</b>	<b>89,044</b>	<b>89,044</b>	<b>2,829,412</b>	<b>2,890,227</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,918,456</b>	<b>2,979,271</b>
<b>Support Services</b>										
Personnel	1,262,875	1,262,875	5,915,644	6,052,779	-	-	-	-	7,178,519	7,315,654
Program	-	-	1,436,202	1,480,568	14,633	15,218	-	-	1,450,835	1,495,786
Contracts	524,400	524,400	4,340,776	4,378,901	121,680	126,547	-	-	4,986,856	5,029,848
Grants	-	-	63,579	63,579	39,000	40,560	-	-	102,579	104,139
Travel	-	-	436,622	437,087	29,624	30,809	-	-	466,247	467,896
Capital Investment & Equip	-	-	3,625,449	5,334,530	234,468	243,847	-	-	3,859,917	5,578,376
Overhead	296,874	296,874	4,036,517	4,079,802	21,736	22,605	-	-	4,355,127	4,399,282
Debt Service	-	-	3,133,404	3,084,770	932,578	-	-	-	4,065,982	3,084,770
<b>Subtotal - Support Services</b>	<b>2,084,149</b>	<b>2,084,149</b>	<b>22,988,194</b>	<b>24,912,017</b>	<b>1,393,719</b>	<b>479,587</b>	<b>-</b>	<b>-</b>	<b>26,466,062</b>	<b>27,475,753</b>
<b>Beneficiary Advocacy</b>										
Personnel	277,385	277,385	5,924,899	6,057,128	-	-	883,833	919,186	7,086,116	7,253,698
Program	-	-	318,552	326,321	-	-	65,671	68,298	384,223	394,618
Contracts	415,000	415,000	1,573,888	1,573,888	-	-	1,130,721	1,175,950	3,119,609	3,164,838
Grants	1,115,000	1,115,000	7,818,050	7,818,050	-	-	-	-	8,933,050	8,933,050
Travel	-	-	-	-	-	-	13,463	14,001	13,463	14,001
Capital Investment & Equip	-	-	26,687	26,687	750,000	750,000	2,080	2,163	778,767	778,851
Overhead	-	-	114,595	114,595	-	-	84,321	87,694	198,916	202,289
Debt Service	-	-	-	-	-	-	81,021	84,262	81,021	84,262
<b>Subtotal - Beneficiary Advocacy</b>	<b>1,807,385</b>	<b>1,807,385</b>	<b>15,776,671</b>	<b>15,916,669</b>	<b>750,000</b>	<b>750,000</b>	<b>2,261,110</b>	<b>2,351,554</b>	<b>20,595,166</b>	<b>20,825,608</b>
<b>Total Expenditures</b>	<b>3,980,578</b>	<b>3,980,578</b>	<b>41,594,277</b>	<b>43,718,913</b>	<b>2,143,719</b>	<b>1,229,587</b>	<b>2,261,110</b>	<b>2,351,554</b>	<b>49,979,684</b>	<b>51,280,632</b>

## Notes:

\*Additional funding was identified after submission of OHA's letter dated November 1, 2018, to Governor Ige re: OHA's Proposed Total Expenditures.

OFFICE OF HAWAIIAN AFFAIRS  
SIX-YEAR PROGRAM AND FINANCIAL PLAN

ATTACHMENT B

	Actual FY 2018					Projected FY 2019				
	General Funds	Trust Funds	Special Funds	Federal Funds	Total Funds	General Funds	Trust Funds	Special Funds	Federal Funds	Total Funds
<b>REVENUES</b>										
General Fund Appropriations	3,037,879				3,037,879	3,037,879				3,037,879
Public Land Trust	-	24,325,554			24,325,554		25,017,990			25,017,990
Dividend & Interest Income	-	14,784,263	690	490,743	15,275,695		17,448,000		500,000	17,948,000
Federal and Other Grants	-			394,107	394,107				1,258,264	1,258,264
Newspaper Ads	-		57,803		57,803			60,000		60,000
Donations and Other	-	307,779		43,011	350,790					-
<b>Total Revenues</b>	<b>3,037,879</b>	<b>39,417,596</b>	<b>58,492</b>	<b>927,861</b>	<b>43,441,828</b>	<b>3,037,879</b>	<b>42,465,990</b>	<b>60,000</b>	<b>1,758,264</b>	<b>47,322,133</b>
<b>EXPENDITURES</b>										
Current Programs:										
Board of Trustees	93,855	2,840,061			2,933,916	58,324	2,900,667			2,958,991
Support Services	1,645,907	16,700,985	54,225		18,401,117	1,648,439	21,388,646	443,405		23,480,490
Beneficiary Advocacy	1,298,117	17,176,305	200,000	1,221,560	19,895,981	1,331,116	15,942,380	250,000	2,236,895	19,760,391
<b>Total Expenditures</b>	<b>3,037,879</b>	<b>36,717,350</b>	<b>254,225</b>	<b>1,221,560</b>	<b>41,231,014</b>	<b>3,037,879</b>	<b>40,231,693</b>	<b>693,405</b>	<b>2,236,895</b>	<b>46,199,872</b>

OFFICE OF HAWAIIAN AFFAIRS  
SIX-YEAR PROGRAM AND FINANCIAL PLAN

ATTACHMENT B

	Projected FY 2020					Projected FY 2021				
	General Funds	Trust Funds	Special Funds	Federal Funds	Total Funds	General Funds	Trust Funds	Special Funds	Federal Funds	Total Funds
<b>REVENUES</b>										
General Fund Appropriations	3,980,579				3,980,579	3,980,579				3,980,579
Public Land Trust		25,052,862			25,052,862		27,001,799			27,001,799
Dividend & Interest Income		17,692,555		500,000	18,192,555		17,886,701		500,000	18,386,701
Federal and Other Grants				1,761,110	1,761,110				1,851,553	1,851,553
Newspaper Ads			60,000		60,000			60,000		60,000
Donations and Other			932,578		932,578					-
<b>Total Revenues</b>	<b>3,980,579</b>	<b>42,745,417</b>	<b>992,578</b>	<b>2,261,110</b>	<b>49,979,684</b>	<b>3,980,579</b>	<b>44,888,500</b>	<b>60,000</b>	<b>2,351,553</b>	<b>51,280,632</b>
<b>EXPENDITURES</b>										
Current Programs:										
Board of Trustees	89,044	2,829,412			2,918,456	89,044	2,890,227			2,979,271
Support Services	2,084,149	22,988,193	1,393,719		26,466,061	2,084,149	24,912,017	479,587		27,475,753
Beneficiary Advocacy	1,807,385	15,776,672	750,000	2,261,110	20,595,167	1,807,385	15,916,669	750,000	2,351,554	20,825,608
<b>Total Expenditures</b>	<b>3,980,578</b>	<b>41,594,277</b>	<b>2,143,719</b>	<b>2,261,110</b>	<b>49,979,684</b>	<b>3,980,578</b>	<b>43,718,913</b>	<b>1,229,587</b>	<b>2,351,554</b>	<b>51,280,632</b>

OFFICE OF HAWAIIAN AFFAIRS  
SIX-YEAR PROGRAM AND FINANCIAL PLAN

ATTACHMENT B

	Projected FY 2022					Projected FY 2023				
	General Funds	Trust Funds	Special Funds	Federal Funds	Total Funds	General Funds	Trust Funds	Special Funds	Federal Funds	Total Funds
<b>REVENUES</b>										
General Fund Appropriations	3,980,579				3,980,579	3,980,579				3,980,579
Public Land Trust		27,541,835			27,541,835		28,092,672			28,092,672
Dividend & Interest Income		18,244,435		510,000	18,754,435		18,244,435		510,000	18,754,435
Federal and Other Grants				1,888,584	1,888,584				1,888,584	1,888,584
Newspaper Ads			61,200		61,200			61,200		61,200
Donations and Other					-					-
<b>Total Revenues</b>	<b>3,980,579</b>	<b>45,786,270</b>	<b>61,200</b>	<b>2,398,584</b>	<b>52,226,633</b>	<b>3,980,579</b>	<b>46,337,107</b>	<b>61,200</b>	<b>2,398,584</b>	<b>52,777,470</b>
<b>EXPENDITURES</b>										
Current Programs:										
Board of Trustees	89,044	2,948,032			3,037,076	89,044	2,948,032			3,037,076
Support Services	2,084,149	25,410,257	489,179		27,983,585	2,084,149	25,961,094	489,179		28,534,422
Beneficiary Advocacy	1,807,385	16,235,002	765,000	2,398,585	21,205,972	1,807,385	16,235,002	765,000	2,398,585	21,205,972
<b>Total Expenditures</b>	<b>3,980,578</b>	<b>44,593,291</b>	<b>1,254,179</b>	<b>2,398,585</b>	<b>52,226,633</b>	<b>3,980,578</b>	<b>45,144,128</b>	<b>1,254,179</b>	<b>2,398,585</b>	<b>52,777,470</b>



OFFICE OF HAWAIIAN AFFAIRS  
SIX-YEAR PROGRAM AND FINANCIAL PLAN

ATTACHMENT B

	Projected FY 2024					Projected FY 2025				
	General Funds	Trust Funds	Special Funds	Federal Funds	Total Funds	General Funds	Trust Funds	Special Funds	Federal Funds	Total Funds
<b>REVENUES</b>										
General Fund Appropriations	3,980,579				3,980,579	3,980,579				3,980,579
Public Land Trust		28,654,525			28,654,525		29,227,616			29,227,616
Dividend & Interest Income		18,244,435		510,000	18,754,435		18,244,435		510,000	18,754,435
Federal and Other Grants				1,888,584	1,888,584				1,888,584	1,888,584
Newspaper Ads			61,200		61,200			61,200		61,200
Donations and Other					-					-
<b>Total Revenues</b>	3,980,579	46,898,960	61,200	2,398,584	53,339,323	3,980,579	47,472,051	61,200	2,398,584	53,912,414
<b>EXPENDITURES</b>										
Current Programs:										
Board of Trustees	89,044	2,948,032			3,037,076	89,044	2,948,032			3,037,076
Support Services	2,084,149	26,522,947	489,179		29,096,275	2,084,149	27,096,038	489,179		29,669,366
Beneficiary Advocacy	1,807,385	16,235,002	765,000	2,398,585	21,205,972	1,807,385	16,235,002	765,000	2,398,585	21,205,972
<b>Total Expenditures</b>	3,980,578	45,705,981	1,254,179	2,398,585	53,339,323	3,980,578	46,279,072	1,254,179	2,398,585	53,912,414





OFFICE OF HAWAIIAN AFFAIRS  
FISCAL YEAR 2018 2019 VARIANCE REPORT

	FISCAL YEAR 2018				FISCAL YEAR 2019 THREE MONTHS ENDED 9-30-18				ESTIMATE NINE MONTHS ENDED 6-30-19			
	Budgeted	Actual	±Change	%	Budgeted	Actual	±Change	%	Budgeted	ESTIMATED	±Change	%
EXPENDITURES												
Personnel												
Operations												
Subtotal - Board of Trustees												
Support Services												
Personnel												
Operations												
Subtotal - Support Services												
Beneficiary Advocacy												
Personnel	814,181	611,896	(202,286)	(25)	212,460	130,397	(82,063)	(39)	637,379	719,442	82,063	13
Operations	1,659,590	321,774	(1,337,815)	(81)	311,601	177,402	(134,199)	(43)	934,801	1,068,998	134,197	14
Subtotal - Beneficiary Advocacy	2,473,771	933,670	(1,540,101)	(62)	524,061	307,799	(216,262)	(41)	1,572,180	1,788,440	216,260	14
Total Expenditures												
TOTAL - FEDERAL FUNDS	2,473,771	933,670	(1,540,101)	(62)	524,061	307,799	(216,262)	(41)	1,572,180	1,788,440	216,260	14
TOTAL - BOARD OF TRUSTEES	3,458,148	3,353,927	(104,221)	(3)	739,748	649,479	(90,269)	(12)	2,219,243	2,309,512	90,269	4
TOTAL - SUPPORT SERVICES	24,408,076	21,494,768	(2,913,308)	(12)	5,870,124	6,936,755	1,066,632	18	17,610,368	16,543,735	(1,066,634)	(6)
TOTAL - BENEFICIARY ADVOC	18,781,363	16,711,769	(2,069,594)	(11)	5,455,758	5,325,503	(130,255)	(2)	14,714,802	14,294,232	(420,570)	(3)
GRAND TOTAL	46,647,587	41,560,463	(5,087,124)	(11)	12,065,629	12,911,737	846,108	7	34,544,413	33,147,478	(1,396,935)	(4)